



Investment Office

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February 9, 2006

Mr. E. Neville Isdell
Chairman and Chief Executive Officer
The Coca Cola Company
One Coca-Cola Plaza
Atlanta, GA 30313

Dear Mr. Isdell:

I am writing to you on behalf of the California Public Employees' Retirement System (CalPERS), owner of 12,398,717 shares of common stock as of February 6, 2006 in The Coca-Cola Company. The CalPERS Investment Committee has directed staff to send a letter of inquiry to companies against which the Office of Foreign Asset Control (OFAC) has levied penalties for violating federal sanction programs specific to activities in Sudan.

OFAC, a division of the U.S. Department of Treasury, administers and enforces economic and trade sanctions based on US foreign policy and national security goals against targeted foreign countries, terrorists, international narcotics traffickers, and those engaged in activities related to the proliferation of weapons of mass destruction. On November 3, 1997, President Clinton issued Executive Order No. 13067 that imposed a trade embargo against Sudan and a total asset freeze against the Government of Sudan. OFAC's Sudanese Sanctions Regulations, 31 C.F.R. Part 538 implement Executive order No. 13067.

As a long-term shareowner, CalPERS is concerned that Coca-Cola could face economic, legal, and reputational damage from OFAC violations of the Sudan sanction program. Further, it has been suggested that companies doing business in Sudan may thereby be furthering or condoning the egregious human rights violations occurring in that country. If a company is associated with the atrocities taking place in Sudan, it could pose a serious risk to creating sustainable long-term value.

OFAC recently announced that it has reached a settlement in the amount of \$136,500 with Coca-Cola over allegations of violations of the Sudan sanctions occurring between June 2002 and April 2004. OFAC has alleged that Coca-Cola exported services not

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authorized by its OFAC license to its bottler in Sudan and disregarded or evaded certain OFAC license restrictions.

Therefore, I am requesting that you provide a written explanation of the circumstances surrounding the alleged violation including the facts that led OFAC to levy the penalty against Coca-Cola. In addition, please discuss the measures, if any, that Coca-Cola has taken to prevent any future business activities from being performed in Sudan other than what is permitted under the OFAC license restrictions.

Thank you for your attention to this very serious issue. Should you have any questions, please do not hesitate to contact Dennis Johnson, Senior Portfolio Manager, Corporate Governance at (916) 795-2731.

Sincerely,

Christianna Wood

Senior Investment Officer, Global Equity

CC The Coca-Cola Company Board of Directors

Anne Stausboll, Interim Chief Investment Officer – CalPERS

Dennis Johnson, Senior Portfolio Manager - CalPERS